

WEATHER.

(U. S. Weather Bureau Forecast.)  
Showers and thunderstorms beginning late tonight or tomorrow; cooler tomorrow afternoon or night. Temperatures today—Highest, 83, at 10 a.m.; lowest, 69, at 5 a.m.; 82 at 10:30 a.m.

Closing N.Y. Markets—Sales—Page 16

# The Evening Star

WITH SUNDAY MORNING EDITION

The only evening paper in Washington with the Associated Press News and Wirephoto Services.

(P) Means Associated Press.

86th YEAR. No. 34,388.

WASHINGTON, D. C., SATURDAY, JUNE 25, 1938—THIRTY-FOUR PAGES. \*

Entered as second class matter post office, Washington, D. C. THREE CENTS.

## OWN PARTY FOES PLEDGE PRESIDENT FIGHT TO FINISH

'Deliberate' Effort to Split  
All Existing Political  
Lines Is Seen.

### NEW DEALERS HAIL 'FIRESIDE' ADDRESS

Roosevelt Extends His Aid to  
'Liberal' Candidates in  
Primaries.

Text of President Roosevelt's  
Address on Page A-6.

By G. GOULD LINCOLN:  
President Roosevelt stood committed today to fight for "liberal" candidates in the Democratic primaries. Immediate reaction to his "fireside chat" was a rumble of anger from Democrats who have opposed some of his New Deal measures. Their view was that if the President wishes a fight, he will get one—plus grief that there should be a wedge driven deep into the party.

Senator King, Democrat of Utah said significantly that the philosophy in a democracy is that a man may vote as he pleases.

"The President has great power," the Utah Senator said. "If he sees fit to use it, there is nothing to prevent him. But it is better for the President of the United States to keep out of party primaries."

One Democratic Senator who has sided with the President many more times than he has opposed him, said that it seemed clear the President was trying to divide the country into two groups—one called liberal and the other conservative; to bring about a political realignment in many parts of the country. The President's speech last night did not help the situation politically, nor did he say anything that would help business. I had hoped he would.

However, the more ardent New Dealers, some of whom urged Mr. Roosevelt to fight his opponents in Congress and prevent their re-nomination and re-election, were jubilant because of the militant stand taken by the President.

Senator Hatch, Democrat of New Mexico commented that the President "made some very fine statements, especially in stressing co-operation between capital and labor and government for the benefit of all."

A Government official, who sat last night with a group of industrialists here to discuss the company monopoly investigation, said most of the group thought the speech "augurs well for Government-business co-operation."

**Industrialists Meet.**  
The group, which gathered at the home of Richard C. Patterson, Assistant Secretary of Commerce, consisted of Edward R. Stettinius, chairman of United States Steel; M. B. Folsom, treasurer of Eastman Kodak; Clarence Francis, president of General Foods; A. D. Whitelaw of Dun & Bradstreet; S. Clay Williams, chairman of the Executive Committee of the American Tobacco Co.; Fred B. Adams, chairman of the Executive Committee of the American Tobacco Co.; and Gen. Robert E. Wood, president of Sears-Roebuck.

Government officials present included Thomas G. Corcoran of the Reconstruction Finance Corp., an adviser to President Roosevelt; Assistant Attorney General Thurman G. Arnold, a member of the Monopoly Investigating Committee; Jerome Frank, Securities and Exchange Commissioner, and Herman Oliphant, counsel for the Treasury Department.

There was plenty of awe in the President's "fireside" chat, broadcast over National-wide radio chains.

Not only did the President urge the nomination of liberals instead of conservatives in the coming contests for Senate and House nominations, but he characterized as "Copperheads" those who have opposed his program in the Congress which has recently adjourned.

Without mentioning Jersey City or its C. I. O. and "red-baiting" Mayor, Frank Hague, by name, the President read the riot act to Mr. Hague. The latter is a vice chairman of the Democratic Party.

(See ROOSEVELT, Page A-4.)

## CIRCUS IS READY TO GIVE UP TOUR

Union Offers Five-Point Plan for  
Loading Show for Trip  
to Sarasota.

By the Associated Press.  
SCRANTON, Pa., June 25.—The Ringling Bros., Barnum & Bailey Circus, with less than a third of its summer tour completed, appeared today to be definitely heading back to winter quarters at Sarasota, Fla.

A final decision hinged on whether John Ringling North, youthful president of the circus, would accept a five-point union proposal for loading and transporting the equipment and 1,600 striking employees to Sarasota.

Mr. North said after a conference with his counsel, Leonard G. Bischoff, who came here from New York last night, that parts of the proposal were acceptable. He added a definite answer probably would be made later today.

The show, its big top and elephants, had been stalled here three showdays while Mr. North and representatives of the American Federation of Actors, an A. F. of L. unit, debated a 25 per cent wage reduction. Mr. North said was necessary.

Some of the star performers agreed to accept the cut, but the "roustabouts" canvass men and other laborers refused.

## Lt. Massie's Wife Slapped By Tsingtao Japanese Sentry



LT. AND MRS. T. H. MASSIE.

By the Associated Press.

SHANGHAI, June 25.—The second diplomatic action within four days over the reported slapping of a United States citizen by a Japanese sentry was registered with representatives of the Tokyo government today.

United States Consul Louis H. Gourley, at Tsingtao, Shantung Province, reported to the State Department that a sentry struck the wife of Lt. Thomas H. Massie, the naval officer who figured in the famous Honolulu "Massie" case of 1932.

Mrs. Massie was returning to Tsingtao after having visited her husband

aboard the U. S. gunboat Tulsa, according to reports reaching here, and landed at a Japanese-controlled pier. She was escorted by two sailors.

Challenged by the sentry, she failed to reply, it was said, as she did not understand the Japanese language. The sentry then slapped her on the face, it was reported. The only explanation of the action reaching here was that the sentry had mistaken her for a Russian.

Mrs. Massie is the former Florence Sterns of Chewelah, Wash. She was (See MASSIE, Page A-4.)

## M'CORMICK DEAD, SEARCHERS FEAR

Governor, Leading Search,  
Says 'We'll Find Boy  
or His Body.'

By the Associated Press.  
ALBUQUERQUE, N. Mex., June 25.—The blizzards of the Sandia Mountains today hid the fate of John Medill McCormick, feared the victim of a fall from one of their precipitous peaks.

Searchers, who resumed their tragic task at dawn, expected only the worst—that they would find the mangled body of the Chicago publisher here, much as last night they came upon that of his mountain-climbing companion, 20-year-old Richard Whitmer of Albuquerque.

Personally commanding the three-day search, Gov. Clyde Tingley expressed the thoughts of the army of men he led into the Sandias today.

"That boy—his body—is in there somewhere, and we'll find him," he said.

**Mother Waits at Camp.**  
The boy's mother, Mrs. Ruth Hanna McCormick Simms, waited anxiously last night in Juan Tabo C. C. Camp, at the base of the mountains, hoping to learn her 20-year-old son still living.

She heard only that young Whitmer's body, skull crushed, almost denuded, had been found at the base of the shield, sheer rock face of North Sandia Peak. Of John Medill McCormick there was no word.

The plan of today's search, Gov. Tingley said, is to surround the base of the peak, then work up and down, in the hope of finding young McCormick or his body on a ledge near where the body of his companion came to rest.

"It will be hard going," said the Governor. "The peak is as straight up and down as a concrete wall."

The mountain climber's urge for new conquests led to the tragic venture, friends revealed today.

The youths had climbed steep South Sandia Peak, and the even more rigorous slopes of the "Needle," nearby. Wednesday morning they set out to try the face of North Sandia. When they failed to return a search was launched for them.

Young Whitmer's clothes were torn (See M'CORMICK, Page A-3.)

## OLYMPIAN CRASH KILLS 1, HURTS 7

Train Collides Head-On With  
C. C. C. Special in Second  
Accident.

By the Associated Press.  
CHICAGO, June 25.—General offices of the Milwaukee Railroad announced that one C. C. C. boy was killed, another was missing and that seven passengers on the road's "Olympian" train were injured early today near Ingomar, Mont., in a head-on collision between a C. C. C. special and the Olympian.

Road officials here were unable to give details of the wreck—the Olympian's second in a week, an estimated 47 having perished in a bridge washout Sunday.

They said those aboard the Olympian train were injured only slightly and were given first-aid treatment by a doctor on the train. Names of the victims and missing C. C. C. boy were not available.

The locomotive and mail car on the Olympian and the locomotive and two kitchen cars on the C. C. C. special were damaged and derailed, they said. All coaches and sleepers on the Olympian remained standing on the rails, undamaged.

They added that the wreck apparently was caused when Engineer Torgerson, regularly assigned to the Olympian, overlooked an order and passed through Ingomar.

**Hyde Takes Erin Post.**  
DUBLIN, June 25 (P).—Dr. Douglas Hyde, 78-year-old former college professor, unanimously elected first President of Ireland, took over his \$75,000-a-year post today.

Twenty-one guns boomed in salute as Dr. Hyde took the oath at a ceremony in Great Hall of Dublin Castle and received from Chief Justice Timothy Sullivan the great seal of office.

(See HYDE, Page A-3.)

## SPAIN THREATENS BOMB REPRISALS AGAINST ITALIANS

Retaliatory Bombardments  
May Include Balearics  
and Italy Itself.

### GERMANY MENTIONED AS POSSIBLE TARGET

British and French Make Appeal  
to Barcelona to Avoid  
'Rash' Acts.

BACKGROUND—

Strength of Spanish insurgent air forces, which have repeatedly bombed Loyalist cities behind front lines, has been in contingents of Italian and German aviation. Depredations of these aircraft have aroused world protest. British and French shipping in Spanish waters has been target for repeated attacks from Italian air bases in Balearics.

By the Associated Press.

PARIS, June 25.—Par-flying aerial bombardment of "Italian-dominated" towns in the Balearic Islands have been threatened by the Spanish government unless Generalissimo Franco quits bombing civilian centers behind Spain's battleline.

Despite urgent British and French admonitions against "rash" acts, the Spanish Embassy in Paris insisted today that retaliation would be taken into consideration unless the insurgent chieftain abstains from that type of warfare.

The Embassy said that since Gen. Franco's raiders operate largely from the Spanish Balearic Islands, the reprisal raids certainly would be directed against "Italian-dominated" towns there.

Embassy Refuses to Elaborate.  
The Embassy itself did not elaborate on or confirm a previous implication that the government might carry aerial warfare to German or Italian cities or other non-Spanish objectives.

Officials close to the French office, however, said the Barcelona government had threatened to bomb cities of "those foreign countries" which share responsibility for insurgent bombardment of Spanish civilian centers.

Barcelona authorities insist that both Italian and German planes and flyers participated in repeated raids on Spanish coastal cities and towns.

**Appeal in "Energetic" Terms.**  
Informal quarters said the French appeal to Barcelona was made in "energetic" terms and included a warning that such raids were sure to bring "a mass reply which would add materially to the difficulties of the Spanish Republic and have dangerous repercussions in the whole international situation."

Barcelona's envoy to Paris was reported to have pointed out the sweepingly broad scope of possible abandonment of the government's non-retaliation policy with severe reprisals against insurgent centers and "more distant objectives."

Unofficially, there was speculation here as to whether "more distant objectives" mean merely Italian-dominated towns in the Balearics or could be taken to apply to Italian and German cities or warships which the government command might suspect of co-operating with insurgent bombing planes.

**Barcelona Pledges Inquiry Aid.**  
Barcelona, for the present, promised co-operation with a neutral commission to investigate aerial attacks in Spain. The Embassy said its home (See SPAIN, Page A-3.)

## HUGHES, PANAY HERO, REACHES CALIFORNIA

Commander Is Greeted by Wife  
and Mother—On Way to  
San Diego Hospital.

By the Associated Press.  
SAN FRANCISCO, June 25.—Still weak from wounds he received last December when the gunboat Panay was sunk in the Yangtze River by Japanese bombs, Lt. Comdr. J. J. Hughes arrived here en route to the San Diego Naval Hospital.

He declared he was "ready and eager to go back to duty in China."

Comdr. Hughes, arriving yesterday, was greeted by his wife, Kay Hughes of Washington, D. C., and his mother, Mrs. Eugene Hughes of New York.



## Davies to Tell the President About 2-Hour Talk With Stalin

No Explanation Given as  
Yet on Secrecy of  
Envoy's Return.

Joseph E. Davies, who has just left his post in Moscow as Ambassador to the Soviet and who will shortly take up new duties as Ambassador to Belgium, has returned to Washington with some first-hand observations concerning political and economic conditions in Europe which will give President Roosevelt and the State Department something to think about.

Mr. Davies was scheduled to have a long talk with the President at lunch today, during which he was expected to give him an account of conditions in the troubled sections of Europe. His report deals with not only affairs in Russia but also virtually all the Balkan states.

Just before leaving Russia Mr. Davies had a two-hour talk with Stalin, the Russian dictator, which was the first audience the latter is understood to have given to any foreign representative in the past year.

Much has been written in critical vein about the little time actually



JOSEPH E. DAVIES.

spent by Mr. Davies at his post in Russia, and about his frequent absences aboard his wife's yacht, the Sea Cloud, and the famous entertainments on the yacht in various European cities.

(See DAVIES, Page A-4.)

## VIRGINIAN IS HELD IN WIFE'S DEATH

Colonial Beach Fisherman  
Quizzed After Woman's  
Fatal Beating.

By a Staff Correspondent of The Star.  
COLONIAL BEACH, Va., June 25.—The fisherman-husband of a 38-year-old woman was to be questioned today in connection with her death, presumably from a beating, last night.

The man, Milmore Bowler, 42, was arrested shortly after his wife was found, her face bruised and neck apparently broken, on a road leading into town.

The woman's body was discovered about 10:30 o'clock by William Cooper, 24, Dr. Veola Carruthers said after a preliminary examination an autopsy would be necessary to determine the cause of death. He said, however, the neck appeared broken and that the woman was cut and bruised about the mouth.

The husband, State Officer F. V. Butler, was taken into custody when he was found intoxicated and asleep on the front lawn of his home.

Although the husband was unable to make a coherent statement, Officer Butler said he told him and his wife had quarreled and that night he and his wife had been in the house.

The Bowlers have four children, a grown boy, a younger son and two girls.

Commonwealth's Attorney Vertie Chandler was expected here today to decide whether an inquest will be held.

## MRS. MOODY WINS WIMBLEDON TILT

Defeats Mrs. Miller After  
Trailing—Helen Jacobs  
Also Advances.

BULLETIN.  
WIMBLEDON, June 25 (P).—Don Budge, world champion, today continued his parade through the Wimbledon tennis field, going into the quarter-final round with a 6-3, 6-4, 6-1 victory over Ronald Shays of England.

By the Associated Press.  
WIMBLEDON, England, June 25.—Helen Wills Moody, seeking her eighth all-England tennis title, advanced into the quarter-final round of the women's singles today when she defeated Mrs. Bobby Heine Miller of South Africa, 6-6, 6-4, after trailing, 1-5, in the first set.

Meanwhile Helen Jacobs, 1936 champion and a round behind Mrs. Moody, continued to show improvement as she eliminated Freda James of England, 6-4, 6-2.

Using a new flat racket forehand which Bill Tilden taught her, Miss Jacobs came from behind to win the first set. She had two set points in the 10th game before she won with a perfect flat volley. After breaking Miss James' service in the first game of the second set the Berkeley (Calif.) girl went on to win easily.

Don MacPhail Victor.  
Don MacPhail of England earned his quarter-final bracket by defeating when Roderich Menzel of Czechoslovakia walked off the courts with the score one set all. Menzel won the opening 8-6 and MacPhail the second, 9-7.

Menzel, seeded No. 3, conceded the match to MacPhail because an ankle, which he injured yesterday in a five-set match with C. M. Jones, began troubling him again.

Mrs. Miller broke Mrs. Moody's service in the second and fourth games for a 3-1 lead, jolting constantly to take the fourth after it had been deuced seven times.

Mrs. Miller came to the net twice in the sixth and volleyed past Helen again to break her service and take a 5-1 lead.

Helen broke through Mrs. Miller's service in the seventh, then won the eighth and ninth games. The American can see squared the match in the tenth. Mrs. Moody finally won in the fourteenth, when Mrs. Miller netted the final point.

**Breaks Fee's Service.**  
The crowd, tense in the first set at the thought of Mrs. Moody going down to defeat, relaxed in the second when Helen, now in full cry, twice passed Mrs. Miller at the net in the third to break her service and assume a 3-1 lead.

The fourth game went to deuce before Mrs. Miller went to the net and twice beat Helen to square accounts, but Helen ran away with the next three games.

## U. S. STEEL DENIES ANY WAGE PLEDGE

Republic and Inland Fall in  
Line With Price Cuts to  
Meet 'Big Steel's.'

NEW YORK, June 25 (P).—United States Steel Corp. in a brief statement today said none of its officials "has given any assurances that wage reductions will not follow steel price reductions announced yesterday."

Late yesterday leading subsidiaries of the Nation's biggest steel maker announced price cuts in its products ranging from 7 to 21 per cent, and reducing them to the lowest in slightly more than 10 years.

Republic Steel and Inland Steel fell in line by announcing at their offices today in Cleveland and Chicago, respectively, that they would meet the price decreases of the United States Corp.

Decreases by the Carnegie-Illinois Steel, largest United States producer, of \$3 to \$4 in Pittsburgh and as high as \$6 in Chicago eliminated differentials between the two areas. The Tennessee Coal, Iron & Railroad Co., Birmingham subsidiary of United States Steel, also announced cuts of about \$3 more than for Pittsburgh, thus establishing price parity for the South.

Commenting on the price cut in his "fireside" chat in Washington last night, President Roosevelt said, "I was gratified to know that this reduction involved no wage cuts. Every encouragement should be given to industry which expects a large volume-high wage policy."

**Wage Cuts Had Been Rumored.**  
In advance of the steel company's announcement it had been rumored in steel trade circles that at least a temporary wage reduction was being discussed in connection with plans to stimulate prices, taken as a measure of stimulating business.

The presence in New York for the last few days of John L. Lewis, head of the C. I. O., and Philip Murray, head of C. I. O.'s Steel Workers' Organizing Committee, had encouraged the rumors that wage reductions were reached at his New York hotel, Mr. Lewis said "no comment whatsoever" in response to a question as to whether he was here to confer with steel executives on wages.

Earlier in the week Mr. Murray had said that wages were not under discussion.

**No Notice Served.**  
Edward R. Stettinius, chairman of the corporation, was said at his office here last night for Washington last night.

United States Steel made a contract with the C. I. O. early in 1937, breaking its long tradition against dealing with outside labor unions.

When the contract was renewed this year there was inserted a provision permitting the calling of a conference on 10 days' notice by either side for negotiating changes in the wage scale. If proposed changes are not agreed upon within 20 days after giving notice, the contract remains in effect.

(See STEEL, Page A-3.)

## Motion Picture Leaders Confer At White House

Will Hays and eight leaders of the motion picture industry called on President Roosevelt today at the White House for an indicated discussion of business conditions as reflected in box office trends.

According to Stephen Early, secretary to Mr. Roosevelt, Mr. Hays, so-called czar of moviedom, arranged the conference some time ago. Mr. Early said the meeting was in line with the President's references in his radio address last night to co-operation in the business with the Federal Government.

Mr. Hays, it was said, regards the movie industry as an excellent barometer of business conditions and of the general economic situation.

The delegation, in addition to Mr. Hays, included: Barney Balaban, president of Paramount pictures; C. N. Blumberg, of Universal; Harry Cohn, Columbia; Sidney R. Kent, Twentieth Century Fox; George J. Schaefer, United Artist; Nicholas M. Schenck, Loews; Leo Spitz, RKO-Radio; and Albert Warner, Warner Bros.

## MONOPOLY PROBE IS LIKELY TO CALL 'BIG STEEL' FIRST

Disclosure Follows Slash  
in Prices by Two of U. S.  
Steel Subsidiaries.

### HEARINGS ARE HELD DUE TO BEGIN IN SEPTEMBER

Stettinius Denies Collusion in  
Cuts—Stimulated Demand  
Is Hoped, Firm Says.

By the Associated Press.

The administration's monopoly investigators disclosed today, on the heels of a price slash by United States Steel Corp. and two leading independent steel companies, that "big steel" probably would be the first company haled to public hearings.

They said they expected to start public hearings in September. In the meantime, data will be gathered and preparations made for the most extensive inquiry of this generation into trusts, price-fixing and allied subjects.

It was learned that Edward R. Stettinius, youthful chairman of the Steel Corp., had talked informally about steel prices to several of the New Deal's most confirmed "trust-busters" within the last week.

Mr. Stettinius was reported to have conceded that prices of steel companies were fairly uniform, but to have denied collusion. He explained that when United States Steel sets a price, its competitors frequently follow the example, and that when another company sets lower prices, the others do likewise for competitive reasons.

**Prices Back at 1928 Level.**  
United States Steel announced yesterday a cut that returned steel prices to about the 1928 level. It was made, a company statement said, with the hope it would stimulate demand for steel products.

The price reductions were made by Carnegie-Illinois Steel Corp., largest unit of United States Steel, and the Tennessee Coal, Iron & Railroad Co., a Southern unit with headquarters at Birmingham.

A suggestion that the monopoly inquiry be aimed primarily at determining means of breaking up artificial price structures came from Senator Borah, Republican of Idaho, one of the 12 congressional and administrative members of the investigating board.

Senator Borah said he considered price fixing, either by a single monopolistic concern or a group of large concerns within one industry, the "kernel of the nut" of the monopoly question.

**New Approach Sought.**  
The Idahoan, who has campaigned for new anti-trust legislation for many years, said he thought a new approach to the problem must be taken.

One suggested "new approach," it was learned in another quarter, is a system of separate laws for different types of industry. This has the backing of Assistant Attorney General Thurman Arnold, another board member. Senator O'Mahoney, Democrat of Wyoming, probable chairman of the group, and Senator Borah have proposed a Federal licensing of corporations as a means of enforcing anti-trust policies.

President Roosevelt described the inquiry in last night's "fireside chat" as an effort to "find a path through the jungle of contradictory theories."

He said that, while preserving the profit incentive, industry must "constantly seek improved practices."

**Monopoly Probe Fear Seen.**  
The steel price cut drew from Senator Bulkley, Democrat, of Ohio the comment that "Big Steel may be trying to get a little ahead of the monopoly investigation." Senator George, Democrat of Georgia, hoped steel wages would not be affected. The steel corporation said the cut had no connection with wages, although in recent months steel men have said there could be no reduction in prices without lower wages.

The monopoly investigating board will organize formally early next week. Its personnel was completed yesterday.

Other members, in addition to Senators O'Mahoney and Borah and Assistant Attorney General Arnold, are Richard C. Patterson, Jr., Assistant Secretary of Commerce; Isador Lubin, commissioner of labor statistics; Jerome Frank, securities commissioner, alternating with William O. Douglas, commission chairman; Herman Oliphant, general counsel of the Treasury; with Admiral C. J. Peoples of the Navy; and Division as his alternate; Chairman Garland S. Ferguson of the Federal Trade Commission; Senator King, Democrat, of Utah, and Representatives Sumners, Democrat, of Texas; Eicher, Democrat, of Iowa and Reece, Republican, of Tennessee.

**Taft AGREES TO HEAD  
HUMAN NEEDS DRIVE**

Mrs. Roosevelt and Four Others  
Named Vice Presidents.  
Conference Opens.

By the Associated Press.

SEATTLE, June 25.—Charles F. Taft, Cincinnati, Ohio, son of the late president, has accepted the chairmanship of the 1938 Community Mobilization for Human Needs.

Allen T. Burns, New York City, executive vice president of Community Chests and Councils, Inc., made the announcement at opening sessions of the national conference of Chest leaders yesterday.

Mr. Burns named the following vice presidents:

Mrs. Franklin D. Roosevelt; Dr. A. H. Giannini, Los Angeles; Louis Kirshstein, Boston; Mrs. Harper Sibley, Rochester, N. Y., and Gerard Swope, New York City.